

EDII

Investors back Guj startups; 7 get ₹77cr funding in FY22

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Ahmedabad: Gujarat-based startups seem to have begun the current financial year on a positive note with seven of them cumulatively raising around Rs 77 crore so far in fiscal 2021-22.

For instance: Ahmedabad-based sampling and management platform for direct to consumer (D2C) brands Smytten raised about Rs 44.4 crore in August. The startup intends to utilize the fresh investment primarily for scaling up its user base and building many industry-first tech and data solutions.

Another startup from the city Big Spoon Foods raised Rs 15 crore in a pre-Series A round of funding last month. The cloud kitchen startup will

MATURING STARTUP ECOSYSTEM

Startup	Funds Raised (₹.cr)
Smytten	44.4
Big Spoons Foods	15
LernVern	7.3
Saarathi Pedagogy	7
Orphicy	2.5
InfyU Labs	1.8

use the funds for market expansion, hiring and product development. The startup had also bagged Rs 15 crore funding last year.

Incorporated in October 2020, edtech startup Orphicy recently obtained Rs 2.5 crore funding at a valuation of Rs 25 crore. This startup from Ahmedabad has received funds from NRI tech enthusiasts

presently working in leadership positions at Facebook, Google, McKinsey.

Agritech startup InfyU Labs recently raised Rs 1.8 crore in a seed round led by Angel Indian Network. In June, edtech startup Saarthi Pedagogy raised Rs 7 crore from Ecosystem Ventures and other investors. Similarly, LernVern, another edtech startup

from Ahmedabad, also received funding to the tune of Rs 7.3 crore from international investors in April this year. During the same month, Vadodara-based IEI Didactics received Rs 22.25 lakh from HDFC Bank's SmartUp Grants.

"Contrary to the perceived belief, funding for startups has seen a healthy growth over the last year. Despite the overall subdued global macro economy, Indian start-ups have managed to raise funds in a sustained manner," said Dr. Sunil Shukla, director general, Entrepreneurship Development Institute of India (EDII), Ahmedabad.

"The onset of Covid-19 pandemic saw the inception of several solution-oriented enterprises that are hi-tech and highly relevant in the present

times," he added.

According to experts, startups raising more funds is a function of a maturing startup ecosystem in Gujarat. Explaining this, Anupam Jalote, CEO, International Centre for Entrepreneurship and Technology (iCreate), said, "Increasing number of investors are now seeing startup funding as a good avenue for investing their corpus, as startups reflect promising growth. The surge in the quantum of funds raised is also a reflection of a maturing ecosystem."

Jalote further explained that in the post-pandemic digital boom, a large chunk of tech startups such as providers of AI-driven solutions, fintech startups and even those in the electric vehicle segment are raking in the maximum funds followed by the other sectors.